



Department of Energy
Washington, DC 20585

MAY 16 2008

Mr. James Isom, General Manager
Wackenhut Services, Incorporated
P. O. Box W
Aiken, SC 29802

Dear Mr. Isom:

SUBJECT: Award Fee Determination for October 1, 2007 Through March 31, 2008 of Contract
DE-AC09-99-SR18950

I have completed my evaluation of the Wackenhut Services, Incorporated-Savannah River Site (WSI-SRS) contract performance and determined your award fee based on the Performance Objectives and Criteria set forth in the Award Fee Plan. These objectives and criteria reflect the SRS Management Focus Areas of safety and security; technical capability and performance; community, state and regulator relationships; cost-effectiveness; and corporate perspective.

As Fee Determination Official for the Savannah River Operations Office (SR), I am pleased to inform you that WSI-SRS earned 97% of the available fee of \$1,950,000. By using established rating criteria, WSI-SRS demonstrated an overall good level of performance during this period. WSI-SRS continued to demonstrate sound protection strategies and technical guidance associated with 2005 Design Basis Threat (DBT) implementation, Special Weapons Training, Aviation Operations, and Advanced Tactical Training Area (ATTA) range design and upgrades.

WSI-SRS continues to be very proactive in working with Department of Energy (DOE) and Washington Savannah River Company (WSRC) in support of the 2005 DBT implementation activities at the K Area Complex. While maintaining 2003 DBT protection strategies, WSI-SRS continues to play a significant role in project implementation and effectiveness and security protection activities. The Company provides security support to specific work packages; assists in development of Modified Security Plans; provides compensatory post staffing; and develops temporary security operating procedures to accurately reflect temporary changes in security operations due to construction activities.

During this period, you executed all current facility protection requirements, participated in all emergency preparedness drills and exercises; and conducted all required security training exercises. Additionally, WSI-SRS supported a number of DBT project and protection program planning activities, to include:

[REDACTED] vehicle gate installation and start up; [REDACTED]
[REDACTED] and participation in
Joint Conflict and Tactical Simulation (JCATS) modeling activities, to name a few. In
conjunction with the emerging threats associated with the 2005 DBT, WSI-SRS personnel
developed a plan to improve the security of the Site helicopters. [REDACTED]

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[REDACTED]

[REDACTED] The new strategy represents a significant reduction of exposure of the aircraft to potential adversary actions.

The DOE Office of Aviation Management (OAM) conducted an Annual Aviation Program Audit of the SRS Aviation Program in March 2008. The OAM was assisted in the audit by personnel from the Federal Aviation Administration South Carolina Flight Standards District Office.

The aviation audit was jointly conducted to review the management, operations, safety, training and maintenance programs of the SRS Aviation Program. After a thorough review of the program files, written documentation, aircraft maintenance records and visual inspections of the aircraft and facilities, the audit team conducted several scenario-based assessments of the flight crews, maintenance team and operations personnel. There were 740 audit items applicable to DOE-SR and WSI-SRS, all of which were 100% compliant. The audit team indicated that the SRS Aviation Program is one of the strongest in DOE because of the WSI-SRS dedication to continuous improvement and commitment to safety as well as the strong teamwork between DOE-SR and WSI-SRS.

During this period, the WSI-SRS Special Operations Division obtained reaccreditation of the Special Operations/Law Enforcement Division through the Commission for Accreditation of Law Enforcement Agencies (CALEA) for the fifth consecutive period. WSI-SRS received initial CALEA accreditation in November 1995. The Special Operations Division received its best ever results from a three member assessment team who reviewed the division's compliance with 459 individual standards and 897 separate requirements based upon the Commission's Accreditation Program. Maintaining compliance with the CALEA standards brings great credibility to the WSI-SRS Law Enforcement Operations. Additionally, WSI-SRS Law Enforcement Canine team members participated in joint Peroxide-Based Explosives Training with the South Carolina State Law Enforcement Division and the Federal Bureau of Investigations Joint Terrorism Task Force Team. This training allows the WSI-SRS Canine Program to provide DOE-SR with the ability to keep abreast of newly identified hazardous or explosive threats and maintain current canine detection capability.

WSI-SRS upgraded the ATTA Training Complex to include the development of additional ranges to address advanced weapons training requirements. These upgrades include the expansion of the Surface Danger Zones (SDZ) which mitigates the capabilities of the advanced weapons' maximum and effective ranges while providing additional safety constraints. WSI-SRS Training personnel worked closely with numerous site entities to complete the ATTA SDZ. This improvement will allow for increased training and significantly enhances the overall safety posture of the ATTA ranges. The Performance Factor Training Program has continued to perform exceptionally well by addressing the new tactical training objectives; conducting leaders training and new weapons training in support of the DBT initiatives; and developing

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curriculum and conducting courses at the request of DOE National Training Center in support of new tactical courses for the DOE Complex. All training is being performed safely, ensuring all safety and risk assessments are being followed.

WSI-SRS conducted their annual Force on Force Pursuit/Recovery/Recapture exercise during this period. The exercise demonstrated the WSI-SRS capability to meet their contingency plan for pursuit/recovery/recapture scenarios. Quarterly training exercises are conducted to ensure appropriate protection strategies are implemented and demonstrate the Performance Testing and Assessment Departments (PTAD) commitment to detailed planning and execution as well as strict adherence to sound safety practices. During this period, PTAD completed self-assessments for the Special Response Team, (SRT) WSI-SRS Safeguards and Security (S&S) Programs (WSI-Headquarters), the Special Operations Division and the 200-H/Tritium Areas. Several findings and suggestions were self-identified to improve protective force operations and S&S Programs. The assessments are very detailed and include a number of Limited Scope Performance Tests to validate the overall performance expectations and requirements of the Protective Force and Security Programs personnel.

WSI-SRS has continued to increase the field presence of the Occupational Safety and Health Department (OSHD) personnel to ensure safe, day-to-day training operations. Operational Safety Officers and/or Lieutenants observed and/or participated in physical fitness training sessions, live-fire training sessions, tactical training sessions, firearms safety; radiological worker training; fire prevention; vehicle safety; forklift operations; and general safety. OSHD completed the Fiscal Year 2008 Annual Firearms Assessment in October 2007, per DOE Standard 1091-96, *Firearms Safety*. This assessment included a review of requirements from DOE Standard 1091-96, internal procedures; interviews with WSI-SRS personnel and observations of WSI-SRS protective force personnel participating in firearms operations. The purpose of the review was to ensure proper conduct of operations and a well-disciplined environment during weapons loading/unloading activities. Improvement opportunities were identified and completed.

A number of organizational safety improvements were implemented during this period to include ATTA redesign and upgrades and safety enhancements as it relates to fleet vehicle operations that resulted in several equipment upgrades to WSI vehicles and armored vehicles. WSI-SRS installed 15 Automated External Defibrillators (AEDs) at locations throughout the Site to include all WSI-SRS operational areas. To ensure proper use of the AEDs, WSI-SRS trained all protective force members and first-line supervisors on Adult CPR/AED operations. WSI-SRS successfully implemented protective force utilization of Level III body armor in accordance with the Compliance Schedule Agreement. This culminated over one year of planning and procurement activities, with body armor provided to approximately 450 protective force personnel. Improvements in female body armor, planning for hot weather contingencies and alternating post rotations to provide periods of relief were also accomplished.

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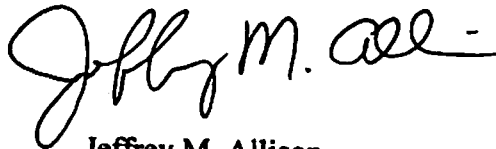
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While there were a number of significant accomplishments during this period, a number of incidents occurred during this period to include the performance factor of personnel failing to conduct assigned security checks as required by their post orders, vehicles accidents and incidents involving SRT personnel, some of which went unreported to DOE-OSSES.

These matters require WSI-SRS Senior Management attention to ensure management systems are in place and that effective procedures are developed, implemented and enforced to address and mitigate future occurrences.

Overall, the achievements and accomplishments during this rating period demonstrate WSI-SRS's commitment to national security and professional excellence. WSI-SRS is clearly committed to meeting the challenges that lay ahead with implementation of the 2005 DBI and various security projects and safety initiatives. DOE-SR oversight personnel will be meeting with your staff to discuss this award fee evaluation in further detail. Thank you for your continued excellent work in support of the missions at SRS and throughout the complex.

Sincerely,



Jeffrey M. Allison
Manager

SPESD-08-0128

cc: T. Moreau, WSI-SRS
R. Garver, WSI-SRS